**Meierhenry Sargent LLP**
ATTORNEYS AT LAW

Mark V. Meierhenry
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Sabrina R. Meierhenry
Clint Sargent
Patrick J. Glover
Bill Blewett

September 13, 2010

Secretary of State
State Capitol
500 E. Capitol
Pierre, SD 57501-5077

Dear Secretary:

Pursuant to SDCL 6-8B-19 enclosed please find the Bond Information Statement for the following bond issue:

- City of Tea
  Special Assessment Bond, Series 2010

knowledge receipt of these documents and return in the envelope provided.

Please bill our pad account # 100064 for the $10.00 filing fee. If you should have any questions or comments relating to this form, please call the undersigned of this office at (605) 336-3075.

Sincerely yours,

Todd Meierhenry

TVM:ts
Encl.

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315 South Phillips Avenue, Sioux Falls, South Dakota 57104
(tel) 605.336.3075 (fax) 605.336.2593
www.meierhenrylaw.com

City of Tea
Lincoln County, South Dakota
Special Assessment Bonds, Series 2010

# BOND INFORMATION STATEMENT
State of South Dakota
SDCL 6-8B-19

Return to: Secretary of State
State Capitol
500 E. Capitol
Pierre, SD 57501-5077

FILING FEE: $1.00

TELEPHONE: #(605) 773-3537

Every public body, authority, or agency issuing any general obligation, revenue, improvements, industrial revenue, special assessment, or other bonds of any type shall file with the Secretary of State a bond information statement concerning each issue of bonds.

1. Name of issuer: City of Tea.

2. Designation of issue: Special Assessment Bond, Series 2010.

3. Date of issue: September 1, 2010.

4. Purpose of issue: The water, sewer, street, curb and gutter, street lighting and drainage improvements to Highway 111 from 271st St. to First Street (272nd Street) in the City of Tea, Lincoln County, South Dakota

5. Type of bond: Tax-exempt.

6. Principal amount and denomination of bond: $1,585,000.

7. Paying dates of principal and interest:

   See attached Schedule.

8. Amortization schedule:

   See attached Schedule.

9. Interest rate or rates, including total aggregate interest cost:

   See attached Schedule.

This is to certify that the above information pertaining to the Special Assessment Bond is true and correct on this 1st day of September 2010.

Dawn R Murphy

By: Dawn Murphy
Its: Finance Officer

Form: SOS REC 050 08/84

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**$1,585,000**

City of Tea, South Dakota
Special Assessment Bonds, Series 2010
Reconstruction of Highway 111

# Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|---|---|---|---|---|---|
| 09/01/2010 | - | - | - | - | - |
| 07/01/2011 | 100,000.00 | 1.000% | 49,989.58 | 149,989.58 | 149,989.58 |
| 07/01/2012 | 85,000.00 | 1.750% | 58,987.50 | 143,987.50 | 143,987.50 |
| 07/01/2013 | 85,000.00 | 1.750% | 57,500.00 | 142,500.00 | 142,500.00 |
| 07/01/2014 | 80,000.00 | 2.500% | 56,012.50 | 136,012.50 | 136,012.50 |
| 07/01/2015 | 80,000.00 | 2.500% | 54,012.50 | 134,012.50 | 134,012.50 |
| 07/01/2016 | 75,000.00 | 3.000% | 52,012.50 | 127,012.50 | 127,012.50 |
| 07/01/2017 | 75,000.00 | 3.000% | 49,762.50 | 124,762.50 | 124,762.50 |
| 07/01/2018 | 75,000.00 | 3.750% | 47,512.50 | 122,512.50 | 122,512.50 |
| 07/01/2019 | 70,000.00 | 3.750% | 44,700.00 | 114,700.00 | 114,700.00 |
| 07/01/2020 | 70,000.00 | 4.500% | 42,075.00 | 112,075.00 | 112,075.00 |
| 07/01/2021 | 70,000.00 | 4.500% | 38,925.00 | 108,925.00 | 108,925.00 |
| 07/01/2022 | 70,000.00 | 4.500% | 35,775.00 | 105,775.00 | 105,775.00 |
| 07/01/2023 | 70,000.00 | 4.500% | 32,625.00 | 102,625.00 | 102,625.00 |
| 07/01/2024 | 65,000.00 | 4.500% | 29,475.00 | 94,475.00 | 94,475.00 |
| 07/01/2025 | 65,000.00 | 4.500% | 26,550.00 | 91,550.00 | 91,550.00 |
| 07/01/2026 | 65,000.00 | 5.250% | 23,625.00 | 88,625.00 | 88,625.00 |
| 07/01/2027 | 65,000.00 | 5.250% | 20,212.50 | 85,212.50 | 85,212.50 |
| 07/01/2028 | 65,000.00 | 5.250% | 16,800.00 | 81,800.00 | 81,800.00 |
| 07/01/2029 | 60,000.00 | 5.250% | 13,387.50 | 73,387.50 | 73,387.50 |
| 07/01/2030 | 195,000.00 | 5.250% | 10,237.50 | 205,237.50 | 205,237.50 |
| **Total** | **$1,585,000.00** | - | **$760,177.08** | **$2,345,177.08** | - |

## Yield Statistics

| | |
|---|---|
| Bond Year Dollars | $16,645.83 |
| Average Life | 10.502 Years |
| Average Coupon | 4.5667709% |
| Net Interest Cost (NIC) | 4.7572090% |
| True Interest Cost (TIC) | 4.6794039% |
| Bond Yield for Arbitrage Purposes | 4.4262625% |
| All Inclusive Cost (AIC) | 4.7184344% |

## IRS Form 8038

| | |
|---|---|
| Net Interest Cost | 4.5667709% |
| Weighted Average Maturity | 10.502 Years |